Connecting the Dots: Wildfire, Forest Health, and Sustainable Rural Economies

Notes from the Webposium Susanville Regional Discussion October 29th, 2009

Hosted by the Sierra Nevada Conservancy

SUSANVILLE

Attendees:

- Dayne Barron (BLM)
- Sean Curtis (Modoc County)
- Jack Hanson (Lassen County)
- Linda Hansen
- Tim Hollobird (Congressmen McClintock's staff)
- Lloyd Keefer (Lassen County)
- David Lile (UCCE - Lassen County)
- Phil Nemir (RPF)
- Erin (Sierra Nevada Conservancy)
- Robin (US Forest Service),
- Melissa (US Forest Service)

1. From the morning panel discussions, what resonated for you?

- It is notable that Randy Moore in describing the Secretary's vision didn't mention saw logs or the economic viability of biomass. Collins Pine is a model of good forestry that includes saw log production and a balanced approach to forestry.
- The example projects displayed by the first panel are not applicable or something that can be copied everywhere because of the large cost per acre ($300 to $1200) requires an outside funding source which limits the number of acres that can be treated. At times the subsidy figure is more than value of the land.
- There was some concern that there was no discussion on mill closures or job creation except those that are subsidy reliant which is not economically sustainable.

2. What is your vision of success?

3. What is our "starting point for action"?

4. What are the barriers or hurdles to overcome?

- Economic viability. There is concern with economic sustainability of local/regional biomass plants running and conducting chipping and fuel reduction treatments. To keep the plant viable, $10 to $20 per ton of chips needs to be added, or there needs to be an increase in the Kilowatt rate paid by utilities. Several of the plants in this region are either closed or just getting by. Due to restructured contracts, plants in Burney and Westwood will be back on line within a couple weeks.
- Supply issues: Five years ago, supply was limiting but not now – projects and chips are available but it doesn't pay the plant to fire up. But, we shouldn't take supply for granted. If projects get held up for some reason we could have supply issues again.
- Disagreement: The 90% consensus discussed by the morning panels – the 10% is typically centered on the marketable timber (+20" dbh) on Forest Service lands. It's a hard issue to get around, but maybe the science has caught up.

What are the reasons for success or failure of a biomass facility nearby?

- Electrical contracts: Some participants felt that the Public Utility Commission needs to play a stronger role in the contracts. If the desire is for green energy and maintain the

forest health benefits then contracts should ensure some level of profitability. The PUC is not just a referee but a regulator. A 1-cent (or similar figure) per Kilowatt hike to rate payers would be more efficient than paying government subsidies to treat forestlands.

- Sawlog component of project: Saw logs are the economic driver that makes fuel projects profitable. They are also the driver that keeps industry infrastructure operating and in place. The ladder fuel reduction, small diameter projects are important to forest health but lack an economically viable component, they are completely reliant on subsidies and so can only cover a limited number of acres. Saw logs are an important economic driver that allow small – mid size timber owners to afford fuel reduction projects. Fuels projects are like paying insurance policy on the larger higher value timber. But if there are no mills to market timber - even very sustainable selective harvesting - then there is little economic incentive to operate at a loss on small-diameter fuel reduction chip projects. Clients are willing to consider fuel treatments due to fear of losing all in catastrophic fire, but need some economic offset by selling a few logs.

5. What level of planning needs to go into these goal/activities?

6. What projects are going on currently or in the past? What is the potential for establishment of a new local biomass or wood products facility?

- Biomass: Pure economics drive a scale of production of 20 – 25 megawatts for a new biomass facility. But smaller existing facility such as the 7 megawatt plant in Bieber might be amore appropriate size for local supply.
- Sawlogs: It's much the same issue with saw mills - a smaller local mill where smaller size timber sales can be marketed would be helpful.
- Secondary products and novel industries: The group present supported these enterprises, but not at expense of larger commodity values and larger acreages that need fuel treatments. For example, an industry that uses a couple loads of juniper boles per year does not address the problem of over 1 million acres of juniper invasion into sage steppe rangelands.

7. Who here today can contribute to developing local collaboration?

8. Who is missing from today's discussion? How do we get people to the table?

- Work in the middle of the industry-environmental debate. We are probably not going to get all fringe groups from either side to the table. Some situations are not conducive to collaborative efforts. All agree that there is clear value to working with groups that are genuinely open to the process.
- Need to work regionally and statewide: Generally, it is not too hard to get ***local*** stakeholders to come to the table in northeastern California.
- USFS needs to gt through local collaborative process: This leads to a different rules appeals process that improves the chances of the USFS decision being supported on appeal or litigation

9. What are the next steps? It seems that on key points there is still some division between the industry / economic and environmental points of view. Will it take catastrophic events to bring more people to the table? Historic logging practices do still play a role in causing some distrust

– clear-cuts, no buffers, etc. With time there has been an improved relationship and common ground and with more time more improvement expected. Sometimes though, catastrophic events create a learning experience.

- Sierra Nevada Conservancy role: The SNC *c*an play a variety of roles…grants, facilitate public involvement, convene groups and key players, technical support
- Promote collaborations: The best science lab is often a real on-the-ground project. Promote collaborations between resource managers and scientists rather than think of science as an independent entity.